

**LEDGER ACCOUNT INCREASES.** The third sentence of Part III of Schedule C of the Agreement is hereby amended and restated in its entirety to read as follows (deletions appear as ~~struck out~~ and insertions appear as double-underlined):

"With respect to each delivery of Market Hogs by Producer hereunder, the ledger account will be (i) increased by ~~20%~~ 50% of the aggregate amount, if any, by which the Market Price of such hogs purchased by Morrell exceeds ~~the Contract Floor Price~~ \$50.00/cwt., or (ii) decreased by 100% of the aggregate amount, if any, by which the Market Price of such hogs purchased by Morrell is less than the Contract Floor Price.

**OTHER AGREEMENTS.** Notwithstanding the second sentence of Section 3(b) of the Agreement to the contrary, the parties acknowledge and agree that \_\_\_\_\_ has entered into an agreement with Hormel Foods obligating \_\_\_\_\_ to produce and sell to Hormel Foods not more than 5,000 hogs per year through September 1999.

This Addendum, upon execution by the parties, shall become an integral part of the Agreement, which as hereby amended, remains in all other respects in full force and effect.

MORRELL:

PRODUCER:

By: \_\_\_\_\_

By: X \_\_\_\_\_

Title: \_\_\_\_\_

Title: X \_\_\_\_\_